

1307.6 - Tasmanian State and Regional Indicators, Dec 2007

Previous ISSUE Released at 11:30 AM (CANBERRA TIME) 31/01/2008 First Issue

Summary

Contents

30/04/2008 Note: Some percentages in the Feature Article have been recalculated to include non-responses to selected Census questions relating to household tenure type and landlord type.

30/04/2008 Note: the word 'exclude' in the above 'Note' has been corrected to 'include'.

CONTENTS



In this Issue

31/01/08 | **Tasmanian State and Regional Indicators** provides a summary of Tasmanian statistical information and is released on a quarterly basis. First release topics are: **Labour**, **Economic Activity**, and **Industry**. Population, Family and Community, and Household Economic Resources are topics planned for the next release in April 2008. Further topics will be added in future releases throughout 2008.



Labour

Includes: **Labour Force Status, Employment, Unemployment, Underemployment, Hours Worked, Average Weekly Earnings, Wage Price Index, Wage and Salary Earner Incomes**

31/01/08 | The annual average size of the labour force in Tasmania continued to grow steadily over the years 2002-03 to 2005-06, but decreased again slightly in 2006-07 to 238,000.



Economic Activity

Includes: **Gross State Product, Capital Expenditure, Consumer Price Index, House Price Index, Industry Value Added, Housing Finance, International Trade, Motor Vehicle Sales**

31/01/08 | Tasmania's Gross State Product (GSP) reached \$19,239 million in 2006-07, an increase of \$397 million or 2.1% from the 2005-06 figure of \$18,842 million. In 2006-07, household final consumption expenditure was the largest component of total GSP, contributing \$11,752 million (61.1%).



Industry

Includes: **Industry Value Added, Agriculture, Mining, Manufacturing, Retail Trade, Tourist Accommodation, Building Approvals and Activity, Land Use, Business Counts**

31/01/08 | In 2006-07, the number of dwelling units approved for construction recorded an increase for the first time in three years. Total approvals numbered 2,848, an increase of 8.2% from the 2005-06 total of 2,633.



Feature Article

31/01/08 | **Tasmanian Housing Indicators:** This article presents a range of housing indicators for Tasmania, drawn from a variety of ABS sources. It aims to illustrate the wider economic influences behind recent movements in the supply, demand and price of housing in Tasmania.

In This Issue



IN THIS ISSUE

Tasmanian State and Regional Indicators (cat. no. 1307.6) provides a summary of Tasmanian statistical information and is released on a quarterly basis. Topics this issue: **Labour**, **Economic Activity**, and **Industry**, plus a **Feature Article** on Tasmanian Housing Indicators.

Further topics will be presented with each release, according to the schedule below:

Proposed Topics

Population, Family & Community, Household economic resources

Education, Housing & Construction, Transport

Crime & Justice, Health, Environment

Planned release date

30 April, 2008

31 July, 2008

31 October, 2008

Explanatory Notes are not included in the form found in other ABS publications. Please see the Explanatory Notes contained in related ABS publications (links to source documents are provided in the summary tables).

For further information about these and related statistics, contact the ABS on 1300 135 070 or email client.services@abs.gov.au.

If you have any comments or feedback about this product please email tasmania.statistics@abs.gov.au.

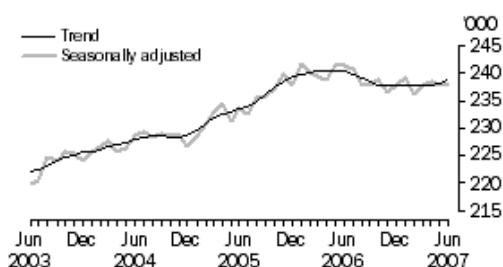
Labour



LABOUR

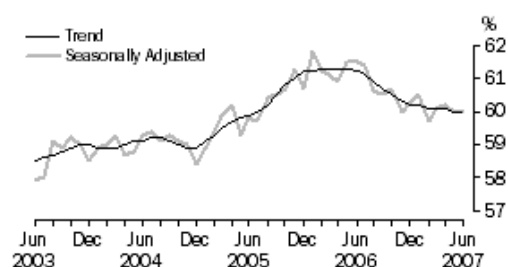
The annual average size of the labour force in Tasmania continued to grow steadily over the years 2002-03 to 2005-06, but decreased again slightly in 2006-07 to 238,000. The participation rate slowed from 60.9% in 2005-06 to 60.3% in 2006-07.

LABOUR FORCE, Tasmania



Source: Labour Force, Australia, Spreadsheets (cat. no. 6202.0.55.001)

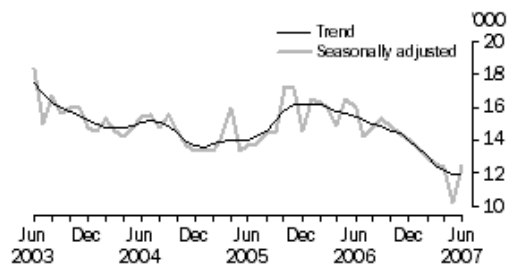
PARTICIPATION RATE, Tasmania



Source: Labour Force, Australia, Spreadsheets (cat. no. 6202.0.55.001)

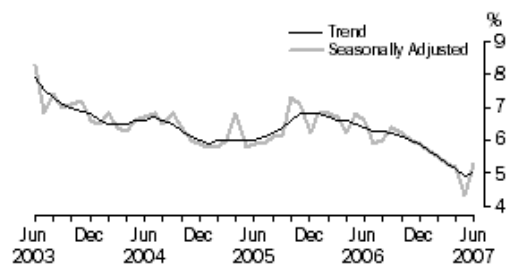
The number of people employed continued to grow, but increased by only 0.8% from 2005-06 to 2006-07. The number of people in full-time work also continued to increase, reaching 154,100 in 2006-07.

UNEMPLOYED PERSONS, Tasmania



Source: Labour Force Australia, Spreadsheets (cat.no. 6202.0.55.001)

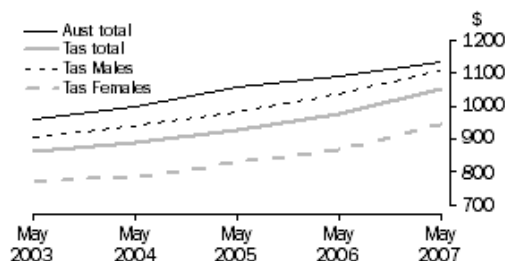
UNEMPLOYMENT RATE, Tasmania



Source: Labour Force, Australia, Spreadsheets (cat.no. 6202.0.55.001)

Tasmania's seasonally adjusted unemployment rate fell to an historically low level of 4.3% in May 2007. The Australian unemployment rate reached 4.3% at the same time. This was the lowest level of unemployment recorded for Tasmania since the current series began in 1978.

AVERAGE WEEKLY TOTAL EARNINGS, Full-time adults: trend



Source: Average Weekly Earnings, Australia (cat.no. 6302.0)

In May 2007, the average weekly total earnings figure for all employed Tasmanians was \$1,050.50, an increase of 7.8% on the May 2006 figure. In the same period, the average weekly total earnings figure for full-time employed Tasmanian males was \$1,107.40, and for females was \$942.70. The Australian figure for all full-time employed adults was \$1,134.30 in May 2007.

LABOUR , Summary table, Tasmania(a)(b)

	2002-03	2003-04	2004-05	2005-06	2006-07
LABOUR FORCE					
Total labour force ('000)	220.2	225.5	230.2	238.4	238.0
Employed full-time ('000)	139.2	146.0	148.0	151.1	154.1
Employed part-time ('000)	62.0	64.2	67.9	71.6	70.4
Unemployment rate	8.6%	6.8%	6.2%	6.6%	5.7%
Long term unemployment rate	2.0%	2.0%	1.6%	2.1%	nya
Participation rate	58.3%	58.9%	59.3%	60.9%	60.3%
Labour force underutilisation rate - persons	13.5%	13.4%	13.4%	13.4%	nya
Extended labour force underutilisation rate - persons	15.4%	14.3%	14.9%	14.7%	nya
Employment growth - annual change	1.6%	4.5%	2.7%	3.2%	0.8%
Job vacancies ('000)	2.0	1.7	1.9	2.4	2.3
WORKING HOURS - ALL EMPLOYEES					

Average actual hours worked per week, full-time (hrs)	37.6	38.2	38.0	36.2	36.5
Average actual hours worked per week, part-time (hrs)	13.7	15.0	15.1	14.7	14.5

OCCUPATION AND INDUSTRY

Employed in higher skilled occupations(c) ('000)	103.5	108.3	114.5	116.5	121.5
Employed in service industries ('000)	155.1	155.8	154.9	157.5	157.7
Employed in manufacturing industries ('000)	22.1	22.4	23.4	22.8	21.9

AVERAGE WEEKLY EARNINGS(d) & WAGE PRICE INDEX

Full-time adult ordinary time earnings, trend	\$830.40	\$853.80	\$892.80	\$937.50	\$1 009.30
Full-time adult total earnings, trend	\$861.50	\$888.20	\$930.10	\$974.30	\$1 050.50
Wage Price Index - all sectors index number	96.8	100.0	104.1	108.4	113.1
Wage Price Index - all sectors percentage change	3.3%	3.3%	4.1%	4.1%	4.3%

nya not yet available

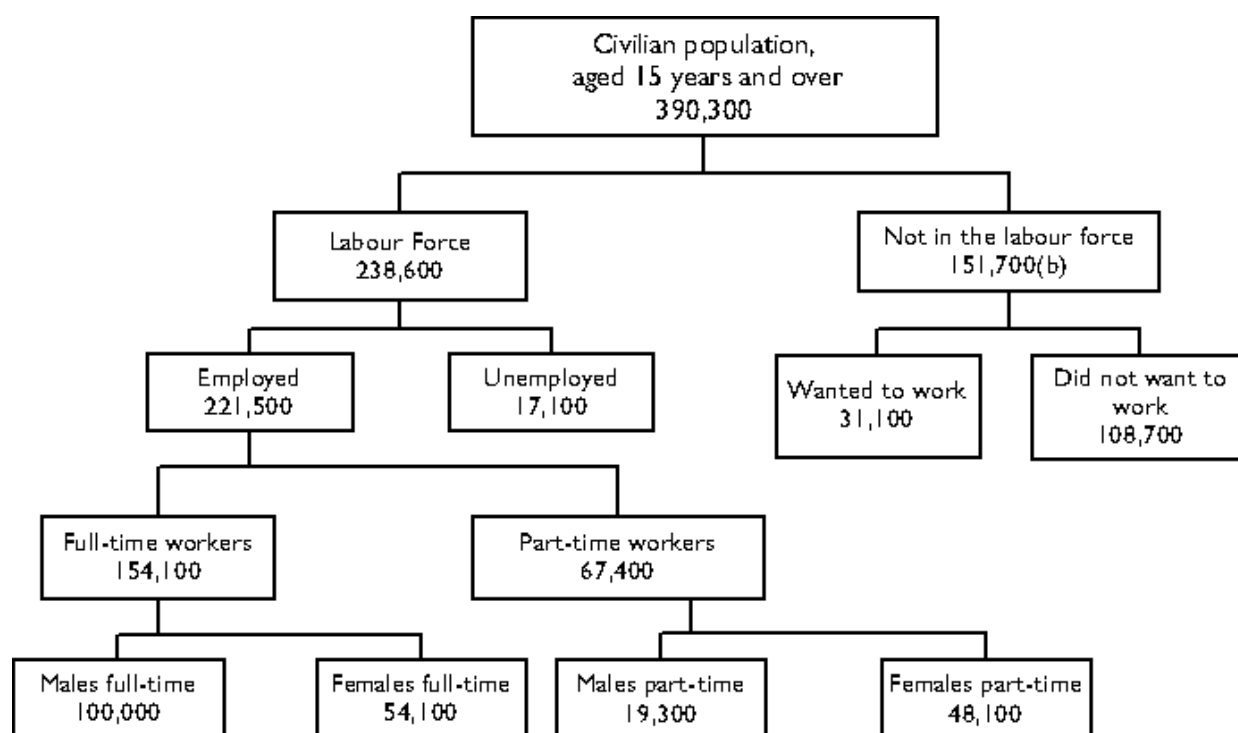
(a) Persons aged 15 years and over.

(b) Data are annual averages calculated on monthly original estimates, unless otherwise specified.

(c) Includes ASCO skill levels 1-3, which equate to ASCO major groups 1-5. For further information, refer to Australian Standard Classification of Occupations (cat.no. 1220.0).

(d) Estimates of average weekly earnings are trend data as published for May each year.

LABOUR FORCE FRAMEWORK, TASMANIA, SEPTEMBER 2006(a)



(a) Based on original survey data, at September 2006

(b) Includes 11,900 people who were permanently unable to work

Source: Underemployed Workers, Australia (cat. no. 6265.0),
Persons Not in the Labour Force, Australia (cat. no. 6220.0)

Australian Labour Market Statistics (cat. no. 6105.0)

Average Weekly Earnings, Australia (cat. no. 6302.0)

Employment Arrangements and Superannuation, Australia (cat. no. 6361.0)

Forms of Employment, Australia (cat. no. 6359.0)

Job Vacancies, Australia (cat. no. 6354.0)

Labour Force, Australia (cat. no. 6202.0)

Labour Force, Australia, Detailed - Electronic Delivery, Monthly (cat. no. 6291.0.55.001)

Labour Force, Australia, Detailed, Quarterly (cat. no. 6291.0.55.003)

Labour Mobility, Australia (cat. no. 6209.0)

Labour Price Index, Australia (cat. no. 6345.0)

Labour Statistics: Concepts, Sources and Methods (cat. no. 6102.0.55.001)

Persons Not in the Labour Force, Australia (cat. no. 6220.0)

Regional Wage and Salary Earner Statistics, Australia - Data Cubes, 2003-04 (cat. no. 5673.0.55.003)

Tasmanian Key Indicators (cat.no. 1304.6)

Underemployed Workers, Australia (cat. no. 6265.0)

Further information can also be found on the Labour Statistics Theme Page of the ABS website.

Economic Activity



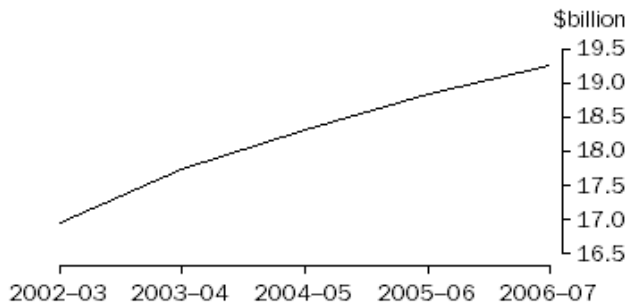
ECONOMIC ACTIVITY

GROSS STATE PRODUCT (GSP)

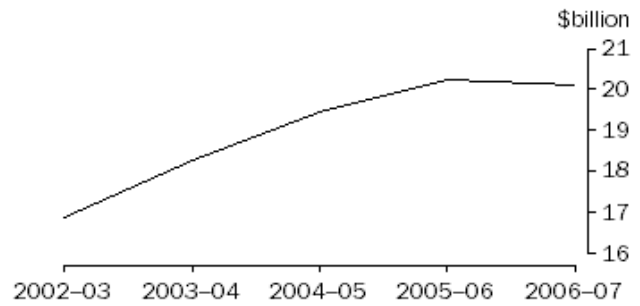
Tasmania's Gross State Product (GSP) reached \$19,239 million in 2006-07, an increase of \$397 million or 2.1% from the 2005-06 figure of \$18,842 million. In 2006-07, household final consumption expenditure was the largest component of total GSP, contributing \$11,752 million (61.1%). At the same time, government final consumption expenditure accounted for \$4,385 million (22.8%) of GSP. State final demand in 2006-07 decreased by 0.7% on the 2005-06 estimate of \$20,239 million.

GROSS STATE PRODUCT, Tasmania
(chain volume measures)

STATE FINAL DEMAND, Tasmania
(chain volume measures)



Source: Australian National Accounts:
State Accounts (cat. no. 5220.0)

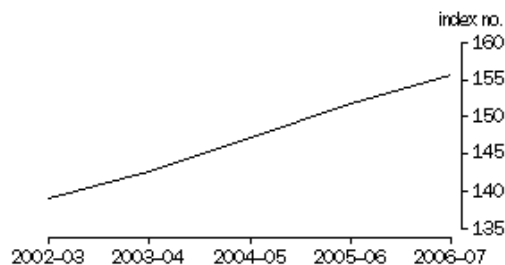


Source: Australian National Accounts:
State Accounts (cat. no. 5220.0)

CONSUMER PRICE INDEX (CPI)

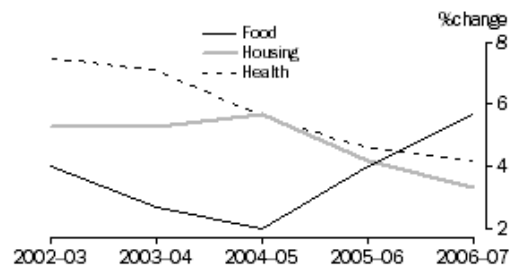
In 2006-07 the all groups CPI in Hobart increased by 2.5% from 2005-06. Rises in food prices (5.7%), health (4.2%) and housing (3.4%) were the main contributors to this change.

CONSUMER PRICE INDEX (all groups), Hobart



Source: Consumer Price Index, Australia (cat. no. 6401.0)

CONSUMER PRICE INDEX (selected groups), Hobart

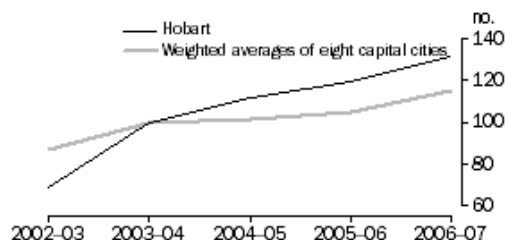


Source: Consumer Price Index, Australia (cat. no. 6401.0)

HOUSE PRICE INDEX

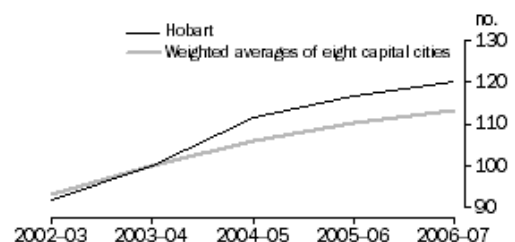
The price index for established houses in Hobart in 2006-07 increased 10.0% compared with 9.7% nationally. At the same time the price index for project homes in Hobart increased 3.0% compared with 2.7% nationally.

HOUSE PRICE INDEX (established homes), Hobart



Source: House Price Indexes:
Eight Capital Cities (cat. no. 6416.0)

HOUSE PRICE INDEX (project homes), Hobart



Source: House Price Indexes:
Eight Capital Cities (cat. no. 6416.0)

HOUSING FINANCE COMMITMENTS

The number of first home buyers houses (owner occupied) financed in Tasmania in 2006-07 decreased by 6.6% from the 2005-06 estimate of 2,200. At the same time non-first home buyers dwellings (owner occupier) financed increased by 7.3%.

FIRST HOME BUYERS (Tasmania), Number of Dwellings Financed



NON-FIRST HOME BUYERS (Tasmania), Number of Dwellings Financed



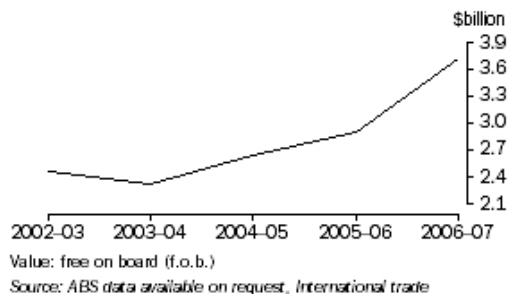
INTERNATIONAL MERCHANDISE TRADE

In 2006-07 the value of Tasmanian goods exported overseas was \$3,712.2 million, an increase of 28.3% from 2005-06. At the same time, the value of goods imported directly into Tasmania was \$614.4 million, which represented an increase of 19.0% from 2005-06.

In 2006-07 the major Tasmanian export destination was Japan, buying \$626.8 million worth of Tasmanian goods or 12.9% more than in 2005-06. Tasmania's major source of imports in 2006-07 was the United States of America, dispatching goods worth \$78.7 million to the Tasmanian market.

Zinc was the major single export commodity in 2006-07, contributing \$1,098.4 million or 29.6% to total Tasmanian exports. Also in 2006-07, power generating machinery and equipment was the highest value imported commodity representing \$82.0 million or 13.3% of total imports.

VALUE OF MERCHANDISE EXPORTS, Tasmania VALUE OF MERCHANDISE IMPORTS, Tasmania



ABS SOURCE PUBLICATIONS:

Australian National Accounts, State Accounts (cat. no. 5220.0)

Private New Capital Expenditure and Expected Expenditure, Australia (cat. no. 5625.0)

Consumer Price Index, Australia (cat. no. 6401.0)

Labour Price Index, Australia (cat. no. 6345.0)

House Price Indexes, Eight Capital Cities (cat. no. 6416.0)

Australian Industry (cat. no. 8155.0)

Housing Finance, Australia (cat. no. 5609.0)

Lending Finance, Australia (cat. no. 5671.0)

Industry



INDUSTRY

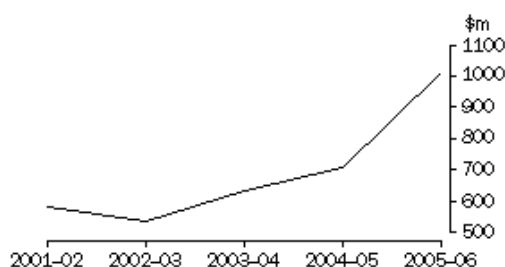
AGRICULTURAL PRODUCTION

In 2005-06 the preliminary estimate of the gross value of agricultural commodities in Tasmania was \$934.4 million. The largest contributors were whole milk (\$209.1 million), slaughtering and other disposals of cattle and calves (\$178.8 million) and vegetables (\$166.0 million).

MINING

Mineral production in Tasmania increased in value by 75.2% over the five year period 2001-02 to 2005-06. In 2005-06 total mineral commodities were worth \$1011.0 million compared with \$577.0 million in 2001-02. In the previous twelve months, mineral production increased by 43.2%, up from \$706.0 million. The most substantial increase was in metallic mineral production, which reported a 47.0% increase from the previous year, increasing from \$634.0 million in 2004-05 to \$932.0 million in 2005-06.

TOTAL MINERAL PRODUCTION



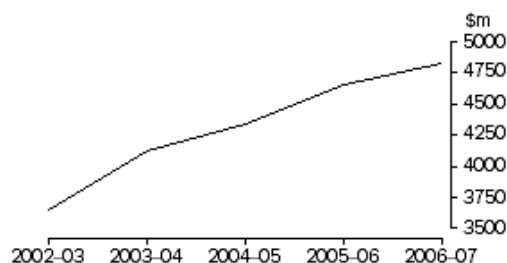
Source: Mining Operations, Australia (cat no. 8415.0)

RETAIL TURNOVER

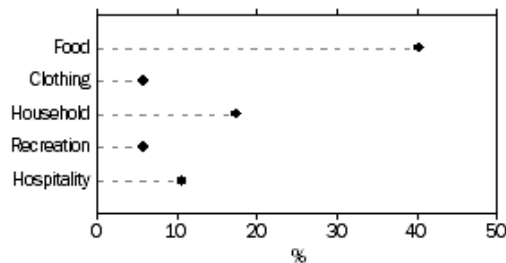
In 2006-07, the value of retail turnover in Tasmania was \$4,828.3 million. This represented an increase of 3.6% from the previous year, and an increase of 32.4% over the last 5 years. Food retailing industry contributed \$1,945.9 million of the total value of retail turnover (40.3%), followed by household good retailing \$840.2 million (17.4%) and hospitality and service industries \$510.4 million (10.6%).

RETAIL TURNOVER, Tasmania

RETAIL TURNOVER, Tasmania (percentage contribution)



Source: Retail Trade, Australia (cat. no. 8501.0)

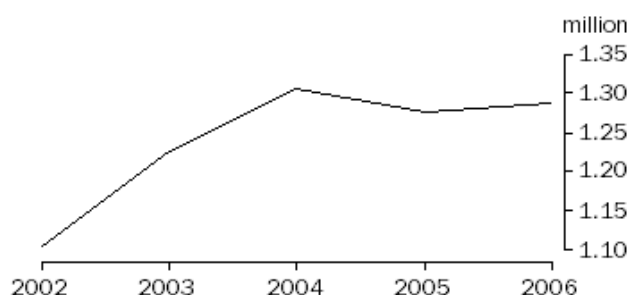


Source: Retail Trade, Australia (cat. no. 8501.0)

TOURIST ACCOMMODATION

Guest arrivals peaked in 2004 with 1.3 million persons, and have remained relatively stable ever since. Takings from accommodation establishments have increased 45.9% over the 5 year period 2002 to 2006. In 2006, takings were \$170.8 million, compared with \$117.1 million in 2002, with the average taking per room per night \$124.80 in 2006 compared with \$100.37 in 2002.

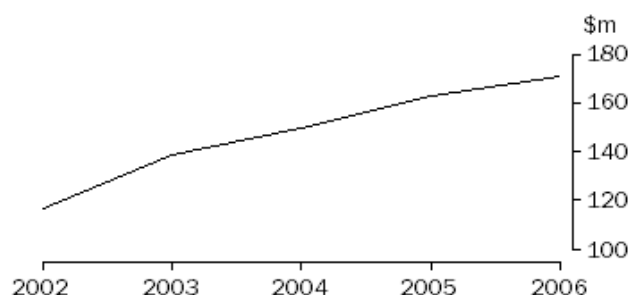
GUEST ARRIVALS, Tasmania



Note: Hotels, Motels and Serviced Apartments with 15 or more rooms.

Source: Tourist Accommodation, Australia (cat. no. 8635.0)

TAKINGS FROM ACCOMMODATION, Tasmania



Note: Hotels, Motels and Serviced Apartments with 15 or more rooms.

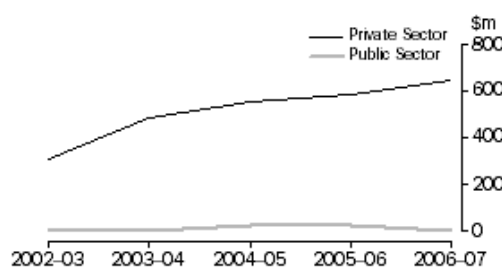
Source: Tourist Accommodation, Australia (cat. no. 8635.0)

BUILDING AND CONSTRUCTION

In 2006-07, the number of dwelling units approved for construction recorded an increase for the first time in three years. Total approvals numbered 2,848, an increase of 8.2% from the 2005-06 total of 2,633. This increase was mostly in new house approvals which were up by 10.1% (2,507) from the 2005-06 figure of 2,276.

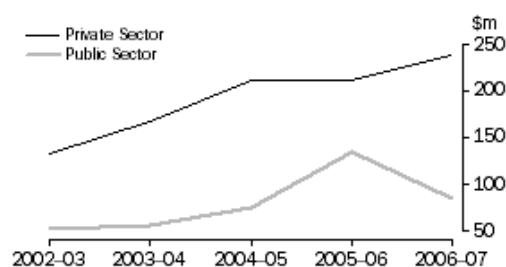
The private sector accounted for over 90.0% of the value of all building work done in 2006-07. Over half of this was from residential building of new houses. Less than 2.0% of the value of public sector residential building was invested in new houses.

VALUE OF BUILDING WORK DONE, Tasmania Residential



Source: Building Activity, Australia (cat. no. 8752.0)

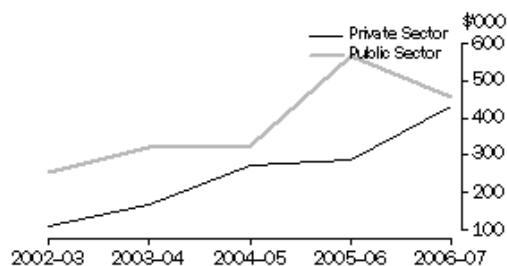
VALUE OF BUILDING WORK DONE, Tasmania Non-residential



Source: Building Activity, Australia (cat. no. 8752.0)

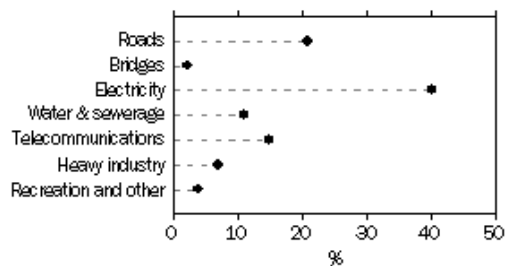
The total value of engineering construction work done in Tasmania in 2006-07 was \$885.8 million, an increase of 3.7% from the previous year. In 2006-07, 48.7% of all engineering construction work was carried out by the private sector (\$431.4 million). Electricity generation, transmission and pipelines represented 40.1% of the total value of engineering construction work (38.1% of the private sector and 41.9% of the public sector) followed by roads, highways and subdivisions 20.9% (10.0% of the private sector and 31.1% of the public sector) and telecommunications 14.9% (24.4% of the private sector and 5.8% of the public sector). Heavy industry accounted for only 7% of the total value of engineering construction work done in Tasmania in 2006-07.

VALUE OF ENGINEERING CONSTRUCTION WORK DONE, Tasmania



Source: Engineering Construction Activity, Australia (cat. no. 8762.0)

VALUE OF ENGINEERING CONSTRUCTION WORK DONE, Tasmania (percentage contribution)



Source: Engineering Construction Activity, Australia (cat. no. 8762.0)

RATEABLE LAND USE

As at November 2007, the total rateable land use area in Tasmania was 4,164,353 hectares (ha). Primary production accounted for 3,678,107 ha or 88.3% of this land, 193,957 ha was residential (4.7%), 123,082 ha was used for sporting facilities and recreation (3.0%) and 100,989 ha was vacant land (2.4%). Industrial land accounted for only 0.2% of the total rateable land use area. (Source: Information and Land Services, DPIW)

BUSINESS COUNTS

At June 2006 there were 15,012 (41.0%) employing and 21,582 (59.0%) non-employing businesses operating in Tasmania. The majority of employing businesses, 8,088 (53.9%) employed less than four employees, with 5,058 (33.7%) businesses employing 5 to 19 employees. Some 1,266 businesses (8.4%) employed 20 to 49 employees while only 600 businesses (4.0%) had 50 or more employees.

ABS SOURCE PUBLICATIONS

Building Activity, Australia (cat. no. 8752.0)

Building Approvals, Australia (cat. no. 8731.0)

Counts of Australian Businesses, including entries and exits June 2003 - June 2006 (cat. no. 8165.0)

Engineering Construction Activity, Australia (cat. no. 8762.0)

Manufacturing Industry, Australia (cat. no. 8221.0)

Mining Operations, Australia (cat. no. 8412.0)

Retail Trade, Australia (cat. no. 8501.0)

Tourist Accommodation, Australia (cat. no. 8635.0)

Value of Agricultural Commodities Produced (cat. no. 7503.0)

About this Release

A compendium of summary statistical information about Tasmania. Information is presented by topic, with more detailed data in Excel spreadsheets.

Contains summary commentary, tables, maps and graphs. Some non-ABS and regional data is also included. Topics covered include labour force, wages and prices, tourism, finance, state accounts, population, household and family characteristics, education, health and environment. Replaces: Statistics, Tasmania (1384.6) and Regional Statistics, Tasmania (1362.6).

Tasmanian Housing Indicators (Feature Article)

30/04/2008 Note: Some percentages in this article have been recalculated to include non-responses to selected Census questions relating to household tenure type and landlord type.

30/04/2008 Note: the word 'exclude' in the above 'Note' has been corrected to 'include'.

TASMANIAN HOUSING INDICATORS

Executive Summary

Population

Households

Economy and Employment

Building Approvals

House Prices

Housing Commitments (Owner Occupation)

First Home Buyers, Housing Finance

Occupied Private Dwellings by Tenure Type

Occupied Private Dwellings by Landlord Type

Median Household Housing Loan Repayment and Rent Paid (Tasmania)

Data Sources

The aim of this article is to contribute to the debate on recent increases in housing costs and house prices and assist informed decision making by providing information from some available ABS data sources in relation to this issue.

For most people, buying a house is the single largest financial decision they have to make. Recent economic trends in the country, solid economic growth, low unemployment rates and low interest rates have all contributed to the boom in housing prices. For home owners, an increase in house prices represents an increase in their wealth. However, for people looking to purchase their first home in a period of increasing housing prices, entry into the real estate market will require a larger commitment to servicing home loan repayments. Due to the segmented nature of the housing market, the difference in the regional characteristics as well as the differences in circumstances between the first home buyers, changeover buyers and rental investors, care should be taken when analysing housing costs and the impact on the individual household.

Housing costs are a major component of total living costs. People with relatively low economic resources (income and wealth) and high housing costs may experience hardship. Some people pay high rent or mortgage repayments, especially if they live in areas with high land and house values.

Others have smaller rent or mortgage repayments because, for example, they live in subsidised housing or areas with relatively low property prices, or have relatively small mortgages.

In comparing households' housing costs with their income, it should be borne in mind that households have a variety of housing preferences. People may choose to live in an area with high land values because it is close to their place of employment and therefore they would have lower transport costs. Some people may choose to incur relatively high housing costs because they prefer a relatively high standard of housing, or wish to pay off a mortgage relatively rapidly as a form of investment. In any case, all repayments of mortgage principal are additions to the wealth of the household.

While housing costs can be a major component of total living costs, the difference between the housing costs of a larger household and a smaller household would not be expected to be as great as the difference in many other costs, such as food or clothing. In other words, larger households can be expected to experience economies of scale in the supply of housing. This means that if a larger household and smaller household both have the same standard of living, it could be expected that on average the larger household will have a lower housing costs/income ratio. Therefore relatively high housing costs/income ratios are more of a concern with respect to larger households than smaller households. This should be borne in mind when comparing ratios across different household sizes.

It should be stressed that care should be exercised when comparing data from the different sources due to the different methodologies used in these surveys.

EXECUTIVE SUMMARY

- On 2006 Census night in Tasmania, 36.8% of all occupied private dwellings were fully owned.
- On 2006 Census night in Tasmania, 24.6% of total occupied private dwellings were rented.
- Tasmanian households on 2006 Census night were paying on average (median) \$867 a month on loan repayments. At the same time, the median weekly rent paid was \$135. This, in real terms, represents an increase of 23.1% and 16.4%, respectively, on median loan and median rent paid in Tasmania on the 2001 Census night estimates.
- In 2006-07, there were 2,100 first home buyers in Tasmania compared with 2,900 in 2001-02.
- In December 2006, the median house price of established house transfers stood at \$275,300.
- In May, June, and July 2007, Tasmania in trend terms recorded an unemployment rate of 5.0%, the lowest level since the start of the series in February 1978.
- In November 2007 housing loans banks' standard variable rate stood at 8.55%, compared with 6.05% in December 2001.

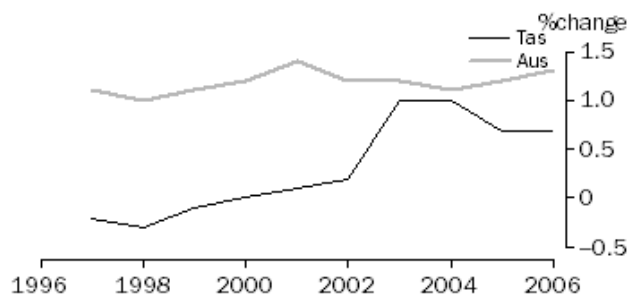
[Back to top](#)

POPULATION

The change in the population size, population characteristics and population movement can all have a strong influence on the supply/demand, and prices of housing. An increase in the population has a direct impact on the demand for more houses. Strong positive net migration into Tasmania in recent times, together with an increased birth rate, change in household composition and smaller households all have strengthened the demand for more houses.

- Tasmanian estimated resident population increased by 3.1% from 474,400 people at 30 June 1996 to 488,900 at 30 June 2006.
- Australian population increased by 12.5% from 18.3 million at 30 June 1996 to 20.6 million at 30 June 2006.

ESTIMATED RESIDENT POPULATION (Annual percentage change)



Note: Year (as at 30 June).

Source: ABS: Australian Demographic Statistics (cat. no. 3101.0)

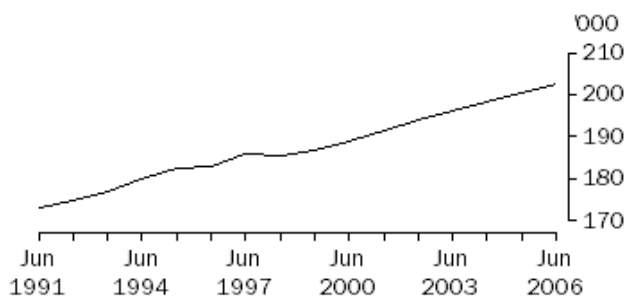
[Back to top](#)

HOUSEHOLDS

The number of households and their characteristics are important factors and have a direct influence on the housing demand. The number of households is increasing at a faster rate than the population number, and as the population ages, households are tending to decrease in size. This in return increases the pressure on the demand for houses.

- At 30 June 2006 there were 202,800 households in Tasmania, an increase of 7.4% on number of households from 30 June 2000 and 11.2% from the June 1995 estimate.
- At 30 June 2006 there were 8.1 million households in Australia, an increase of 11.1% on the number of households at 30 June 2000 and 20.9% from June 1995.
- At 30 June 2006 the average Tasmanian household size had decreased to 2.3 persons from 2.4 persons in the same period in 2002.
- At 30 June 2006 the average Australian household size had decreased to 2.5 persons from 2.6 persons in the same period in 2002.

NUMBER OF HOUSEHOLDS (Tasmania)



Note: The figures from 2002-06 are projected households.

Source: ABS: Australian Demographic Characteristics (cat. no. 3101.0)

PROJECTED AVERAGE HOUSEHOLD SIZE



Note: Year (As at 30 June).

Source: ABS: Australian Demographic Statistics (cat. no. 3101.0)

[Back to top](#)

ECONOMY AND EMPLOYMENT

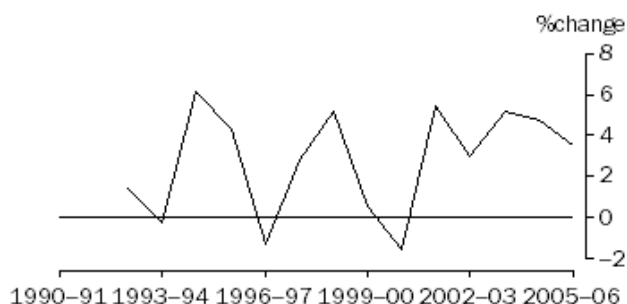
In recent years Australia has enjoyed favourable economic and employment conditions, with solid economic growth and historically low unemployment. Economic and employment stability plays a vital role in people's confidence in making their financial decisions. Personal commitment to buy a house is a decision that people are more likely to make in a low unemployment and more stable economic environment.

- Since 2000-01 the Tasmanian economy has recorded solid growth. In 2000-01 the economy experienced negative growth of 1.6% on the previous financial year. In the remaining years to 2005-06 Tasmanian Real Gross Income per capita recorded positive growth between 3.0% and 5.4%.
- In May, June, and July 2007, Tasmania in trend terms recorded an unemployment rate of 5.0%,

the lowest level since the start of the series in February 1978.

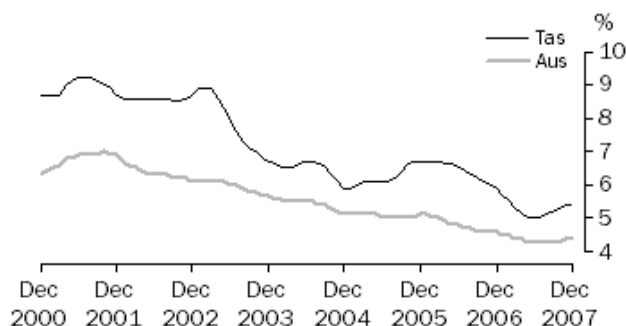
- From the period May 2007 to October 2007 the Australian unemployment rate, in trend terms, also recorded its lowest level of 4.3%.
- Average weekly household income in 2005-06 in Tasmania was \$1,025. This represented an increase of 14.3% on 2003-04 and 69.1% on 1999-2000 respectively.

REAL GROSS STATE INCOME PER CAPITA Tasmania (Chain volume measures)



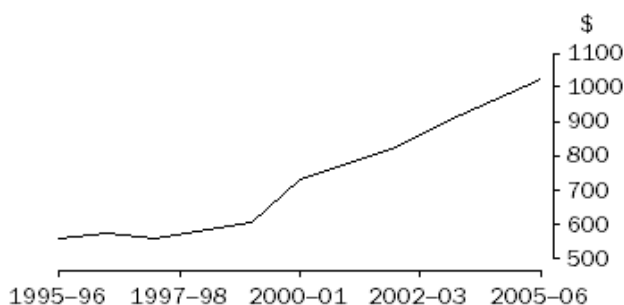
Source: ABS: Australian National Accounts, State Accounts (cat. no.5220.0)

UNEMPLOYMENT RATE (Trend)



Source: ABS: Labour Force, Australia (cat. no.6202.0)

AVERAGE WEEKLY GROSS HOUSEHOLD INCOME Tasmania



Source: ABS: Household Income and Income Distribution, Australia (cat. no.6523.0)

[Back to top](#)

BUILDING APPROVALS

Continuing strong demand for housing led to an increase in the building approvals in recent years. Since 2000-01, building approvals in Tasmania have been showing strong signs of recovery after a period of lesser activity in the late 1990s.

- In Tasmania in 2006-07 there were 2,900 new residential buildings approved. This represented an increase of 10.7% on the 2005-06 estimate of 2,600 and an increase of 142.3% on the 2000-01 estimate of 1,200 new residential buildings approved.
- In 2006-07 there were 151,800 new residential buildings approved in Australia. This represented a 1.9% increase on the 2005-06 estimate of 148,900 and a 28.5% increase on the 2000-01 estimate of 118,100 new residential buildings approved.

NUMBER OF NEW RESIDENTIAL APPROVALS Tasmania

NUMBER OF NEW RESIDENTIAL APPROVALS Australia



Source: ABS: Building Approvals, Australia (catalogue no.8731.0)



Source: ABS: Building Approvals, Australia (catalogue no.8731.0)

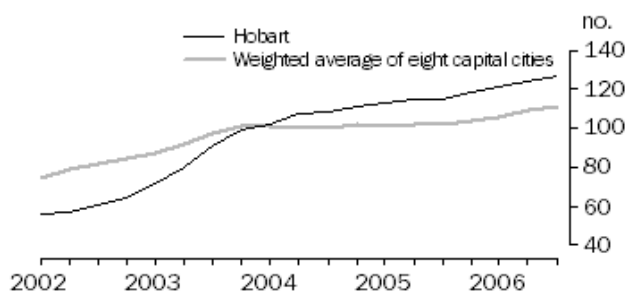
[Back to top](#)

HOUSE PRICES

Since 2002 the house price index and the median price of established house transfers for established homes in Hobart have been showing a strong increase. While the house price index shows a continuing strong increase in prices of established houses, the number of established house transfers in the established house market shows a steep decline indicating tightening of the housing market.

- In the June quarter 2007 the house price index for established homes in Hobart increased by 9.7% on the June quarter 2006, 26.8% on the June quarter 2004 and 137.3% on the June quarter 2002.
- In December 2006 the median price of established house transfers in Hobart stood at \$275,300. This was an increase of 9.3% on the December 2005 price of \$251,800, 14.7% on the December 2004 price of \$240,000 and 115.1% on the December 2002 price of \$128,000.
- In December 2006 there were 918 established house transfers in Hobart which represented a decrease of 7.8% on the same period in 2005, 26.3% and 37.3% lower on December quarter 2003 and December quarter 2002 estimates respectively.

PRICE INDEX OF ESTABLISHED HOMES

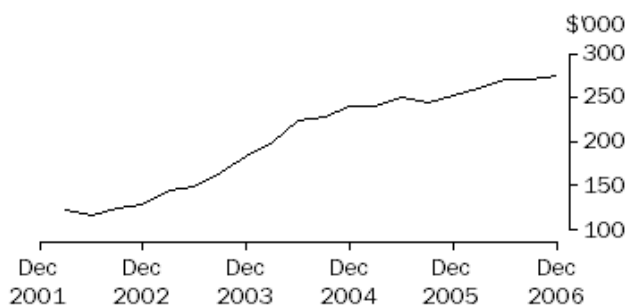


Note: Reference base 2003-04.

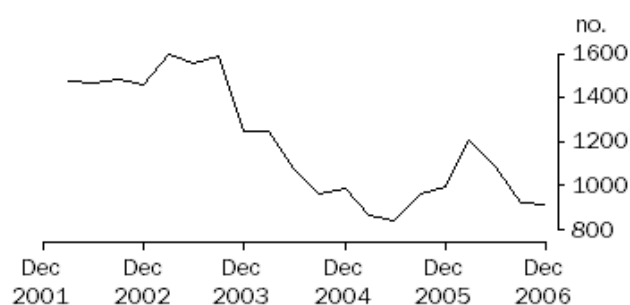
Source: ABS: House Price Indexes: Eight Capital Cities (cat. no. 6416.0)

**MEDIAN PRICE OF ESTABLISHED HOUSE
TRANSFERS
Hobart**

**NUMBER OF ESTABLISHED HOUSE
TRANSFERS
Hobart**



Source: ABS: House Price Indexes: Eight Capital Cities (cat. no.6416.0)



Source: ABS: House Price Indexes: Eight Capital Cities (cat. no.6416.0)

[Back to top](#)

HOUSING COMMITMENTS (Owner Occupation)

In recent times, favourable economic conditions, low unemployment, low interest rates and strong economic growth, have all contributed to a strong business sentiment in Tasmania and the country as a whole. These conditions have created the environment for a strong increase in housing lending commitments. The increase in house prices across the country has resulted in an increase in the personal wealth of homeowners, however for first home buyers this situation has increased the amount many are required to borrow to enter the housing market.

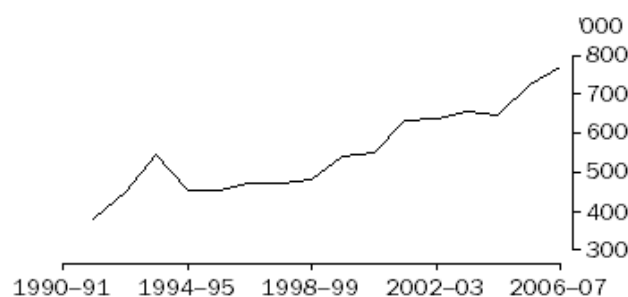
- In 2006-07 in Tasmania in trend terms there were 14,500 housing finance commitments for owner occupation (excluding alteration). This was an increase of 4.7% on 13,900 commitments in 2005-06 and a 51.3% increase on the 1997-98 estimate of 9,600 finance commitments for owner occupation (excluding alteration).
- In 2006-07 in Australia in trend terms there were 772,000 housing finance commitments for owner occupation (excluding alteration). This represented a 6.2% increase on 2005-06 of 726,800 and a 62.4% increase on 1997-98 estimate of 475,400 finance commitments for owner occupation (excluding alteration).

NUMBER OF HOUSING FINANCE COMMITMENTS (Owner occupation), Tasmania (Trend)



Note: Excludes alterations and additions and includes refinancing.
Source: ABS: Housing Finance, Australia (cat. no. 5609.0)

NUMBER OF HOUSING FINANCE COMMITMENTS (Owner occupation), Australia (Trend)



Note: Excludes alterations and additions and includes refinancing.
Source: ABS: Housing Finance, Australia (cat. no. 5609.0)

[Back to top](#)

FIRST HOME BUYERS, HOUSING FINANCE

In the first two years of this decade, there was a sharp increase in Tasmania in the number of first time home buyers, coinciding with the introduction of the Commonwealth First Home Owners Grant in 2000. However, after this peak in 2001-02, there was a noticeable decline which bottomed out in 2003-04. Since then, there has been some recovery in numbers in 2005-06.

- In 2006-07 there were 2,100 first home buyers' dwellings financed. This represented a decrease

of 6.6% on the 2005-06 estimate of 2,200 dwellings financed for first home buyers.

- In 2001-02 there were 2,900 Tasmanian first home buyers dwellings financed which was 89.0% above the 1997-98 estimate of 1,600.
- In 2006-07 in Tasmania first home buyers' dwellings financed made up 16.6% of the total dwellings financed. This represented a decrease on the same contribution of 19.1% in 2005-06.
- In 2006-07 the average loan size for first home buyers in Tasmania was \$164,400. This represented a 122.5% increase on 2000-01 average loan size of \$73,900.
- For the last ten years, the Australian economy has experienced historically low interest rates. However, since a low 6.05% Banks' home loans standard variable rate in December 2001, there have been several increases of 0.25 percentage points. As at November 2007 housing loans banks' standard variable rate stood at 8.55%.

**TASMANIAN FIRST HOME BUYERS
(Dwellings financed)**



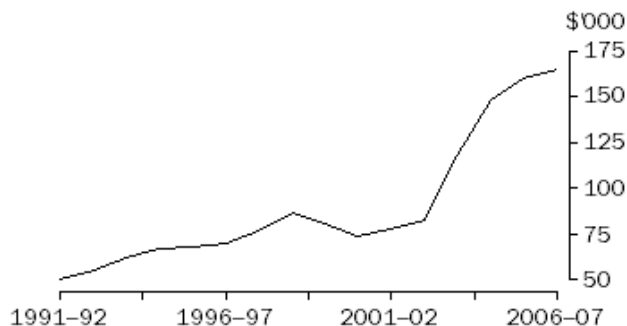
Source: ABS: Housing Finance, Australia (cat. no.5609.0)

**TASMANIAN FIRST HOME BUYERS
(Percentage of all dwellings financed)**



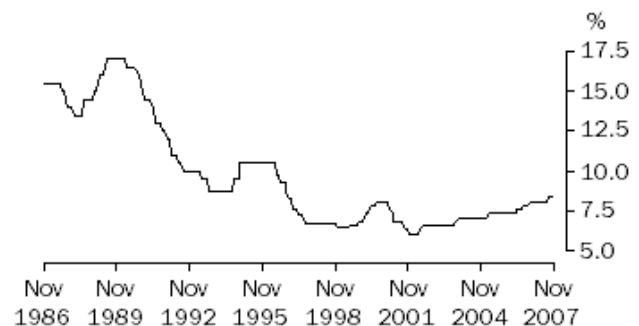
Source: ABS: Housing Finance, Australia (cat. no.5609.0)

**TASMANIAN FIRST HOME BUYERS
(Average loan size)**



Source: ABS: Housing Finance, Australia (cat. no.5609.0)

**HOUSING LOANS
(Banks' standard variable rate)**



Source: Reserve Bank of Australia (RBA)

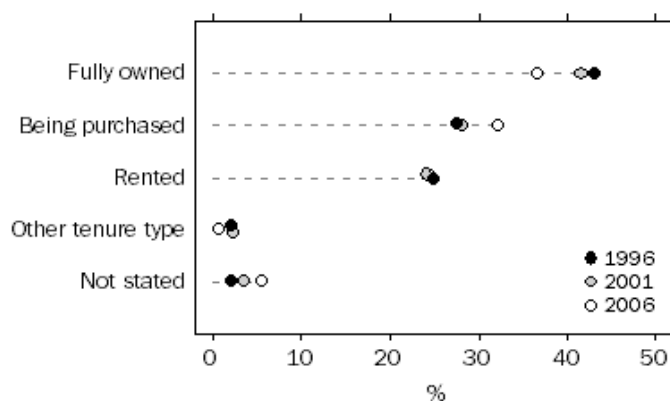
[Back to top](#)

OCCUPIED PRIVATE DWELLINGS BY TENURE TYPE

On the 2006 Census night the proportion of occupied private dwellings that were fully owned by their occupants, in relative terms, had decreased in Tasmania as well as in Australia. This change may in part reflect the increasing uptake of low-cost financing options which allow households to extend their existing home mortgages for purposes other than the original home purchase.

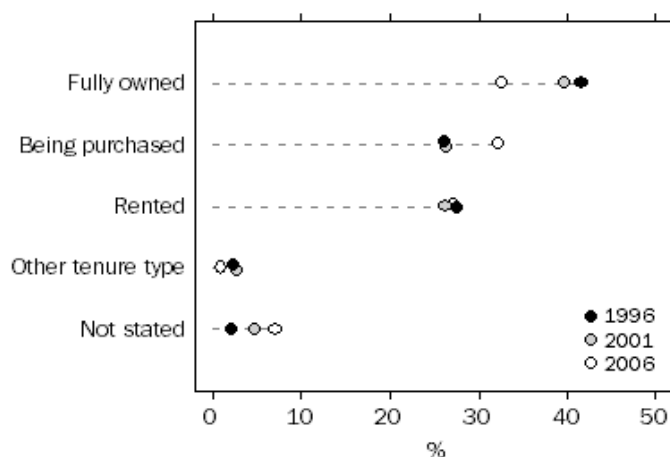
- On the 2006 Census night in Tasmania, 36.8% of all occupied private dwellings were fully owned. This was a 4.8 percentage points decrease on the 2001 Census night estimate of 41.6%.
- On the 2006 Census night in Tasmania, 32.3% of the total occupied private dwellings were owned with a mortgage, an increase of 4.1 percentage points on the 2001 Census estimate of 28.2%.
- On the 2006 Census night in Tasmania, total occupied private dwellings being rented represented 24.6% of total occupied private dwellings, an increase of 0.5 percentage points on the 2001 Census estimate of 24.1%.

OCCUPIED PRIVATE DWELLINGS - Tasmania (Tenure type)



Source: ABS: Census of Population and Housing

OCCUPIED PRIVATE DWELLINGS - Australia (Tenure type)



Source: ABS: Census of Population and Housing

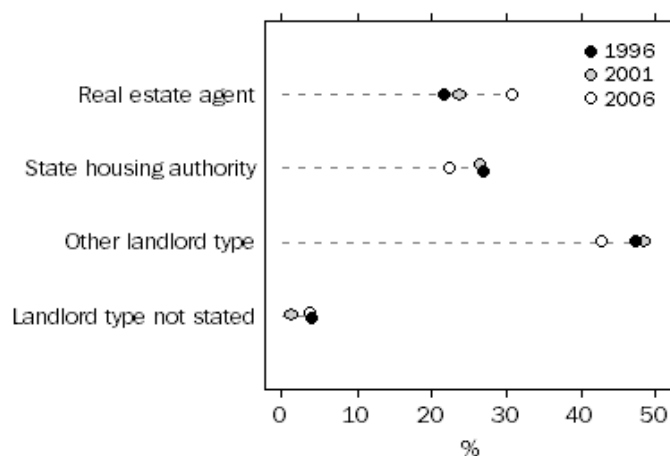
[Back to top](#)

OCCUPIED PRIVATE DWELLINGS BY LANDLORD TYPE

The 2006 Census results showed there were an increased number of dwellings, in relative terms, in Tasmania being rented from real estate agents and fewer rented from the state housing authority. A general decline in public housing rental stock and greater access to Commonwealth Rent Assistance (CRA) payments may have influenced this change in direction.

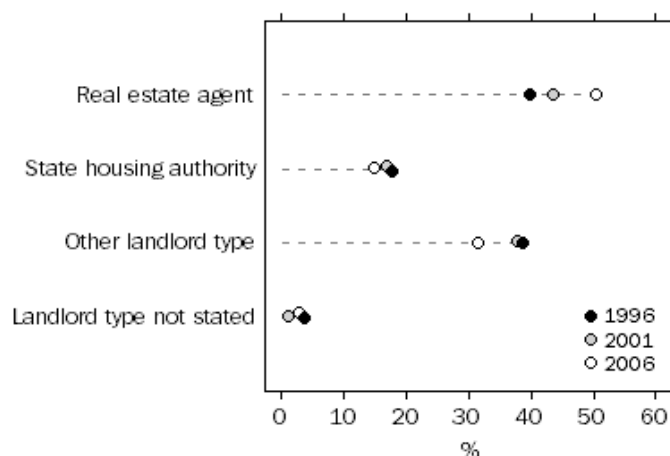
- In Tasmania on the 2006 Census night, of the total occupied private dwellings being rented, 22.5% were rented from the state housing authority and 30.8% were rented from a real estate agent.
- The estimates above correspond with the 2001 Census estimate of 26.6% being rented from the state housing authority and 23.8% from a real estate agent.

OCCUPIED PRIVATE DWELLINGS - Tasmania (Landlord type)



Source: ABS: Census of Population and Housing

OCCUPIED PRIVATE DWELLINGS - Australia (Landlord type)



Source: ABS: Census of Population and Housing

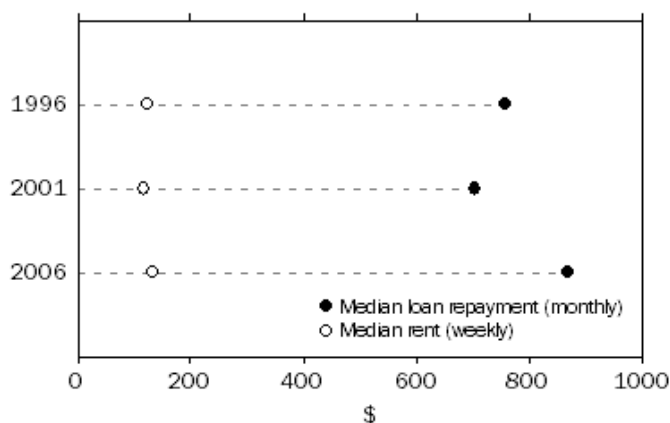
[Back to top](#)

MEDIAN HOUSEHOLD HOUSING LOAN REPAYMENT AND RENT PAID (Tasmania)

The results of the 2006 Census show Tasmanian households spent more on housing costs than in 2001 (after adjustment for inflation). Median housing loan repayments and median rent in Tasmania, have increased in real terms over 2001 Census estimates. However, the effect of Commonwealth Rent Assistance (CRA) should be taken into consideration when comparing the housing costs of private renters to those of other households. Eligible social security recipients may receive a non-taxable income supplement in the form of CRA if the private rent they pay is above a threshold level.

- On the 2006 Census night the Tasmanian household median monthly loan repayment was \$867. This in real terms (all groups CPI adjusted) represents an increase of 23.1% on the median loan repayment of \$704 on the 2001 Census and 14.4% on the median loan repayment of \$758 in 1996 Census.
- The household median weekly rent in 2006 in Tasmania was \$135. In real terms this is an increase of 16.4% and 9.7% on the weekly rents of \$116 and \$123 in the 2001 Census and 1996 Censuses respectively.

MEDIAN HOUSING LOAN REPAYMENT AND RENT PAID Tasmania



Note: All groups CPI adjusted.

Source: ABS: Census of Population and Housing

[Back to top](#)

DATA SOURCES

- Census of Population and Housing
- Australian Demographic Statistics (cat. no. 3101.0)
- Australian National Accounts, State Accounts (cat. no. 5220.0)
- Labour Force Australia (cat. no. 6202.0)
- Building Approvals Australia (cat. no. 8731.0)
- House Price Indexes: Eight Capital Cities (cat. no. 6416.0)
- Housing Finance, Australia (cat. no. 5609.0)
- Housing Occupancy and Costs, Australia (cat. no. 4130.0.55.001)
- Housing Income and Income Distribution, Australia (cat. no. 6523.0)
- Reserve Bank of Australia (RBA): Housing Loan, Bank's Standard Variable Rate

[Back to top](#)